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SUBJECT: GOI SACKS HEAD OF PREMIER MEDICAL INSTITUTE

Classified By: A/PolCouns Atul Keshap for Reasons 1.4 (B,D)

11. (C) Summary: One of the only pieces of legislation to emerge from the winter session of Parliament was a bill to remove an eminent cardiac surgeon from his position as head of the prestigious All India Institute of Medical Sciences. The bill was sheperded through the the legislature by Health Minister Anbumani Ramadoss, who has been engaged in a long-running feud over control with the institute's chief, Dr. Venugopal. The legislation generated heated exchanges in Parliament, with the opposition protesting Dr. Venugopal's removal and objecting to the rushed manner in which the bill was moved. Dr. Venugopal and a staff association immediately challenged the legislation in the Supreme Court, which let Dr. Venugopal's removal stand for the time being but asked the government to provide a detailed explanation of allegations against Ramadoss in the petitions. The surgeon's sacking reflects continuing churning in the Indian body politic as the autocratic impulses of government control are increasingly challenged by Indian civil society. The episode also demonstrates the political importance of "reservations" (i.e., quotas for underprivileged) because Dr. Venugopal's downfall may also be due to his support for staff members who had protested the GOI's proposal to introduce such quotas at the institute. There are also allegations that Ramadoss wants greater control of AIIMS procurement for possible kickback opportunities. Meanwhile, much needed laegislation on critical issues continues to languish. End Summary.

12. (U) On November 30, amidst loud protests from the opposition, the Indian Parliament hurriedly passed a controversial bill which had the effect of removing eminent cardiac surgeon Dr. Venugopal from his position as head of the prestigious All India Institute of Medical Sciences (AIIMS). The legislation established a retirement age of 65 years for AIIMS directors; Venugopal is 66 years old. Immediately after the President signed the bill into law on November 3, Health Minister Ambumani Ramadoss dismissed Venugopal from his post and appointed T.D. Dogra, Head of Forensic Medicines and Toxicology Department, as the acting AIIMS chief.

13. (U) The bill generated heated exchanges in Parliament between UPA and opposition members, which were followed by a walk out by the Bharatiya Janata Party (BJP) and some of its allies. The opposition protested the rushed manner in which the bill was brought to vote and accused the GOI of trying to

destroy AIIMS. The passage of the bill comes after a months-long public war of words between Ramadoss and Venugopal. The Health Minister has accused Venugopal of being autocratic, defying orders, diluting the prestige of AIIMS, and causing the virtual collapse of the institute for three weeks by supporting striking AIIMS staff who opposed the GOI's proposal to introduce quotas for the underprivileged at the institute. Venugopal and his supporters allege that the Health Minister has tried to systematically weaken the autonomy of the institute and interfered in matters outside his purview.

14. (U) Venugopal's removal is not the end of the story, however, because the Supreme Court has stepped into the drama. The court expressed strong concern over the treatment of Venugopal and questioned why such an eminent person was being humiliated by the government. The Supreme Court was responding to petitions filed by Venugopal and the AIIMS faculty association challenging the constitutionality of the bill and calling for the removal of Ramadoss as President of the AIIMS governing body. While declining to suspend the controversial legislation, the Supreme Court asked the government to respond fully to the allegations in the petitions within two weeks.

15. (C) Comment: It is a shame that despite all the pressing legislation stalled in Parliament, the GOI spared no effort to ensure this law's passage. It demonstrates the importance of the "reservations" (quotas for underprivileged) issue. What probably sealed Venugopal's fate with the GOI may have been his support for AIIMS staff and students protesting "reservations" at AIIMS, something that is a high priority issue for the Congress Party, its UPA allies and Ramadoss.

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Venugopal admitted to Embassy official that he had provided implicit support to the protestors. According to him, however, the real reason he was fired was his resistance to Ramadoss' attempt to control the procurement process at AIIMS for possible kickbacks.

16. (C) Comment Continued: The GOI's swift action to penalize a professional who challenged the government's effort to exert greater control over his institution could have a chilling effect on other public sector corporations and other publicly-funded academic, research and cultural organizations. Despite Ramadoss' claim that AIIMS has deteriorated under Venugopal, the institute is in fact stronger in terms of life science and health care delivery, patient load, publications and extra-mural funding.

17. (C) Comment Continued: What is unfolding in the Ramadoss-AIIMS-Venugopal affair is a classic Indian struggle between the government's impulse for control and micro-management and contemporary Indian civil society's demand that the government cut it some slack. Indian politicians and bureaucrats have been trained over the decades to believe that it is their responsibility -- cross to bear -- to manage all aspects of Indian society, including business, academics and research, especially they are publicly funded. Politicians, when in power, and bureaucrats tend to see public corporations and publicly-funded organizations and institutes as mere extensions of their fiefdoms. With liberalization, economic reform and the loosening of the license raj, the autocratic impulses of government and its bureaucrats have been increasingly challenged by individuals, business and civil society. The AIIMS controversy reflects this churning going on in Indian society.
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